

segment shall be the acquisition price paid by the commuter authority to Conrail, plus the value of additions and betterments after acquisition for the minority service, less depreciation accrued from the time of acquisition. From this amount is subtracted all costs of modifying remaining properties so that commuter operations can be continued over them.

(d) If the book values of road or equipment property are adjusted upward or downward as a result of final orders of the special court, such adjusted values shall be reflected in future subsidy payments, but without retroactive effect.

[45 FR 47, Jan. 2, 1980. Redesignated at 47 FR 49582, Nov. 1, 1982]

§ 1157.9 Reasonable return on the value of the properties.

The reasonable return shall be 7.5 percent per annum on the sum of the appropriate elements of the investment base computed in accordance with § 1157.8. When the commuter authority is the owner, the 7.5 percent per annum return represents a charge to the other user(s).

[45 FR 47, Jan. 2, 1980. Redesignated at 47 FR 49582, Nov. 1, 1982]

§ 1157.10 Additional rail passenger service.

(a) As used in this section, the term “additional rail passenger service” means rail passenger service other than rail passenger service provided pursuant to sections 304(e)(2) and (4) of the 3R Act, as amended. It includes extended or expanded service and modified routings, which is to be provided over rail properties conveyed to Conrail pursuant to Section 303(b)(1) of the 3R Act, as amended, or over rail properties contiguous to properties conveyed to Amtrak, or any other rail properties contiguous to properties to which a State (or local or regional transportation authority) has obtained access.

(b) If a State (or a local or regional transportation authority in the region offers to provide payment for the provision of additional rail passenger service, Conrail shall undertake to provide the additional service consistent with the discontinuance provisions con-

tained in section 304(e)(2) of the 3R Act, as amended.

(c) An offer to provide payment for the provision of additional rail service shall be made in accordance with section 304(c)(2)(A) of the 3R Act, as amended, and pursuant to §§ 1157.6–1157.9 of these regulations. The offer shall be designed to avoid any additional costs to Conrail arising from the construction or modification of capital facilities or from any additional operating delays or costs arising from the absence of such construction or modification.

(d) The State (or local or regional transportation authority) shall demonstrate that it has acquired, leased, or otherwise obtained access to all rail properties other than those designated for conveyance to Amtrak pursuant to section 206(c)(1)(C) and 206(c)(1)(D) of the 3R Act, as amended, and to Conrail pursuant to section 303(b)(1) of the 3R Act, as amended, necessary to provide the additional rail passenger service. The State shall also demonstrate that it has completed or will complete prior to the inception of the additional rail passenger service, all capital improvements necessary to avoid significant costs which cannot be avoided by improved scheduling or other means on other existing rail service, including rail freight service. Assurance is required that the additional service will not detract from the level and quality of existing rail passenger and freight service.

(e) Conrail shall not be required to operate additional rail passenger service over rail properties leased or acquired from or owned or leased by a profitable railroad in the region.

APPENDIX I—SUBSIDY ESTIMATE

The following information is required to be furnished under § 1157.3(b) in accordance with the methodology set forth in §§ 1157.3 through 1157.9. The base period data shall be shown for each item.

REVENUES ATTRIBUTABLE FOR BASE PERIOD

1. Passenger
2. All Other
3. Total Revenues Attributable (lines 1 plus 2)

AVOIDABLE COSTS FOR

4. Maintenance of Way and Structures

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5. Maintenance of Equipment
6. Transportation
7. General and Administrative
8. Casualty Reserve Account
9. Performance Standards
10. Total Avoidable Costs (lines 4 through 9)

RETURN ON VALUE FOR

11. Valuation of Property (lines 11a plus 11b)
 - a. Book Value of Equipment
 - b. Book Value of Roadway and Structures
12. Rate of Return
13. Total Return on Value (line 11 times line 12)

ESTIMATED SUBSIDY PAYMENT

14. Subsidy Estimate (line 3 minus lines 10 and 13)
15. Financial Assistance from Subsidizer
16. Estimated Emergency Operating Assistance from the Secretary (line 14 minus line 15)

TRAFFIC AND OPERATING DATA

1. Number of Passengers Carried
2. Total Car Miles

APPENDIX II—FINANCIAL STATUS REPORT

A railroad entering into a subsidy agreement shall compile the information prescribed below in accordance with the standards set forth in §§1157.3 through 1157.9. The actual data for the period to date and a projection to the end of the subsidy period shall be shown for each item.

REVENUES ATTRIBUTABLE FOR ACTUAL AND PROJECTED

1. Passenger

2. All Other
3. Total Revenues Attributable (lines 1 plus 2)

AVOIDABLE COSTS FOR

4. Maintenance of Way and Structures
5. Maintenance of Equipment
6. Transportation
7. General and Administrative
8. Casualty Reserve Account
9. Performance Standards
10. Total Avoidable Costs (lines 4 through 9)

RETURN ON VALUE FOR

11. Valuation of Property (lines 11a plus 11b)
 - a. Book Value of Equipment
 - b. Book Value of Roadway and Structures
12. Rate of Return
13. Total Return on Value (line 11 times line 12)

SUBSIDY PAYMENT

14. Subsidy Payment (line 3 minus lines 10 and 13)
15. Financial Assistance from Subsidizer
16. Emergency Operating Assistance from the Secretary (line 14 minus 15)

TRAFFIC AND OPERATING DATA

1. Number of Passengers Carried
2. Total Car Miles

APPENDIX III—SPEED FACTORED GROSS TONS FORMULA (SFGT)

The following formula is required to calculate the SFGT to be used under §1157.7(f)(1)(B) of this part.

All Track and Roadbed Maintenance:

$$\text{SFGT} = Y(.670 + .910 N) + N \left[1.840 + .870 \sqrt{\text{GT}} + .058 \text{GTF} + .029 \text{GTP} + .048 J \right. \\ \left. \left[\text{GTF} \left(1 + \frac{\text{VF}}{600} + \frac{(\text{VF})^2}{6000} \right) + \text{GTP} \left(1 + \frac{\text{VP}}{750} + \frac{(\text{VP})^2}{9375} \right) \right] \right]$$

or in cases where freight speeds are equal to or greater than 80 percent

of passenger speeds, the freight and passengers terms may be combined as

shown below.

$$\text{SFGT} = Y(.670 + .910 N) + N \left[1.840 + .870 \sqrt{\text{GT}} + .058 \text{GTF} + .029 \text{GTP} + .048 J \right. \\ \left. \left[\text{GT} \left(1 + \frac{\text{V}}{600} + \frac{\text{V}^2}{6000} \right) \right] \right]$$

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where:

GT=Total gross tons of traffic (in millions) per track mile per year.

GTF=Freight traffic gross tons (in millions) per track mile per year.

GTP=Passenger traffic gross tons (in millions) per track mile per year.

N=Number of tracks per route mile.¹

V=Speed factor (the larger of freight speed or 0.8 times passenger speed).

VF=Freight speed.

VP=Passenger speed.

J=1 for welded rail.

1.5 for bolted rail.

[Y=As shown below]

FRA class of tracks and type of operation	Value of Y		
	Main line	Branch line	Yard and switch
Class 1, 2, 3; freight only up to MGT per mile per year	1.00	0.56	0.14
Class 1, 3; passenger, or Class 1, 2, 3; freight more than 10 MGT per mile per year	1.12	0.66
Class 3; passenger, or Class 4, 5, 6; all traffic	1.15	0.69

[44 FR 16411, Mar. 19, 1979, as amended at 45 FR 47, Jan. 2, 1980. Redesignated at 47 FR 49582, Nov. 1, 1982]

¹In calculating total SFGT, the value of N shall reflect the total number of tracks presently in place. Any tracks constituting present excess capacity shall be included in this value of N.

Where the commuter authority is the minority user the value of N, used in calculating SFGT for freight and/or intercity passenger service, shall reflect the total number of tracks less the number of tracks (if any) which could be eliminated if commuter service were discontinued. Any tracks constituting present excess capacity shall be included in the value of N when computing SFGT for freight and/or intercity passenger.

Where the commuter authority is the dominant user, the value of N shall reflect the total number of tracks less the number of tracks (if any) which could be eliminated if freight and/or intercity passenger service were discontinued. Any tracks constituting present excess capacity shall be included in the value of N when computing SFGT for commuter service.

The speed factors used shall be governed by the highest authorized speed in the designated area for the respective types of service.

Special studies may be conducted from time to time to update the constants used in the formula.

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Subpart B—Notice of Discontinuance of Commuter Service by Amtrak Commuter Services Corporation

AUTHORITY: 49 U.S.C. 504(d)(2).

SOURCE: 48 FR 414, Jan. 5, 1983, unless otherwise noted.

§ 1157.20 Purpose.

Section 1137 of the Northeast Rail Service Act, 45 U.S.C. 504(d)(2), directs the Rail Services Planning Office (RSPO) to issue regulations prescribing the necessary contents of a notice by Amtrak Commuter Services Corporation (Commuter Services Corporation) to discontinue commuter service operations. Commuter Services Corporation may discontinue commuter service upon 60 days notice if (a) a commuter service operating payment (subsidy payment) is not made by a commuter authority in accordance with the Standards For Determining Commuter Rail Service Continuation Subsidies issued by RSPO, or (b) an applicable subsidy payment is not paid when it is due.

§ 1157.21 Content and form of the notice.

The notice to discontinue commuter service operations shall contain the following information and shall be in the following form:

NOTICE OF DISCONTINUANCE OF COMMUTER SERVICES CORPORATION'S OPERATION OF [NAME OF SUBSIDIZER] COMMUTER RAIL SERVICE

Commuter Services Corporation hereby gives 60 days notice that on [date of proposed discontinuance] it intends to discontinue the operation of commuter rail service currently subsidized by [name of subsidizer] in [identify general area to be affected].

Commuter Services Corporation intends to discontinue the service because [name of subsidizer] has [cite reason for discontinuance in accordance with 45 U.S.C. 504(d)(1)(A) or (B)] as required by section 1137 of the Northeast Rail Service Act of 1981.

Timetables for the commuter service to be discontinued are [list timetables for the affected commuter service]. For further information contact [specify name and telephone number of a designated representative for Commuter Services Corporation and the subsidizer].

Commuter Services Corporation.